



November 15, 2017

The Honorable Paul Ryan
Speaker of the House
U.S. House of Representatives
Washington, DC 20515

Mr. Speaker:

The National Roofing Contractors Association (NRCA) supports the Tax Cuts and Jobs Act (H.R. 1). NRCA has long supported pro-growth tax reform legislation that makes the tax code more efficient and enables roofing industry entrepreneurs to grow their businesses and create more high paying, family-sustaining jobs.

Established in 1886, NRCA is one of the nation's oldest trade associations and the voice of professional roofing contractors worldwide. NRCA's 3,600 member companies represent all segments of the roofing industry, including contractors, manufacturers, distributors, consultants and other industry employers in all 50 states. NRCA members are typically small, privately held companies, but our membership includes businesses of all sizes. During peak season, the average member employs 45 people.

NRCA supports H.R. 1 and applauds Chairman Brady and the other members of the House Committee on Ways and Means for their work on the Tax Cuts and Jobs Act (H.R. 1). We are especially pleased to see that the bill provides lower tax rates for both corporations and businesses structured as pass-through entities; increases expensing of qualifying property; repeals the death tax which has been so problematic for many family-owned businesses; repeals the alternative minimum tax; and expands the use of the completed contract method of accounting, among other provisions.

We continue to have concerns with respect to provisions that relate to pass-through businesses. Based on our analysis to date, it is unclear whether the bill in its current form will enable pass-through businesses to fully benefit from the 25 percent rate for business income, as lawmakers indicate is their intent. While we recognize the need for an enforcement mechanism to prevent abuse of the new rules, it is crucial that such provisions recognize the diversity of pass-through businesses. NRCA looks forward to continuing to work with lawmakers to ensure that all businesses benefit from tax reform as the legislative process continues.

Again, NRCA supports H.R. 1 and urges all members of the House to approve the bill. Thank you for your consideration of NRCA's view on this crucial legislation.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Barr". The signature is fluid and cursive, with the first name "Jim" and last name "Barr" clearly distinguishable.

Jim Barr
Barr Roofing Company, Abilene, TX
Chairman of the Board, NRCA